

**LAW OFFICES OF  
LOUIS E. GITOMER**

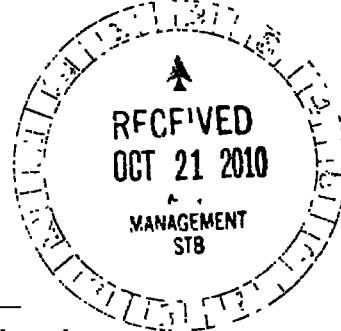
LOUIS E. GITOMER  
LOU\_GITOMER@VERIZON.NET

THE ADAMS BUILDING, SUITE 301  
600 BALTIMORE AVENUE  
TOWSON, MARYLAND 21204-4022  
(202) 466-6532  
FAX (410) 332-0885

October 21, 2010

228033

Ms. Cynthia T. Brown  
Chief of the Section of Administration, Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D. C. 20423



RE: Finance Docket No. 35430, *Texas, Oklahoma & Eastern Railroad, LLC—  
Acquisition and Operation Exemption—Texas, Oklahoma & Eastern Railroad  
Company*

Dear Ms. Brown:

Enclosed for filing are the original and 10 copies of a Verified Notice of Exemption under 49 C.F.R. 1150.31, a check covering the \$1,800.00 filing fee, and a CD with the WORD and pdf file Notice of Exemption.

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them with our messenger. Thank you for your assistance.

If you have any questions, please call or email me.

Sincerely yours

Louis E. Gitomer  
Attorney for: Texas, Oklahoma & Eastern  
Railroad, LLC

Enclosures

**FILED**  
OCT 21 2010  
SURFACE  
TRANSPORTATION BOARD

RECEIVED  
OCT 21 2010  
Public Access

**FEE RECEIVED**  
OCT 21 2010  
SURFACE  
TRANSPORTATION BOARD

BEFORE THE  
SURFACE TRANSPORTATION BOARD

228033

FINANCE DOCKET NO. 35430

TEXAS, OKLAHOMA & EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION  
EXEMPTION—TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.31, Et Seq.

ENTERED  
OCT 21 2010  
PUBLIC RECORD

**FEE RECEIVED**  
OCT 21 2010  
SURFACE  
TRANSPORTATION BOARD

**FILED**  
OCT 21 2010  
SURFACE  
TRANSPORTATION BOARD

Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer LLC  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250

Attorney for TEXAS, OKLAHOMA &  
EASTERN RAILROAD, LLC

Dated: October 21, 2010

BEFORE THE  
SURFACE TRANSPORTATION BOARD

---

FINANCE DOCKET NO. 35430

---

TEXAS, OKLAHOMA & EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION  
EXEMPTION—TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY

---

VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.31, Et Seq.

---

Texas, Oklahoma & Eastern Railroad, LLC, a Delaware limited liability company (“TOE”), a noncarrier, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D – Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit TOE to acquire and operate over about 40 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0, and Valliant, OK, milepost 0.0, including auxiliary, storage, and spur tracks, all in McCurtain County, OK (the “Line”). TOE is acquiring the Line from the Texas, Oklahoma & Eastern Railroad Company, an Arkansas corporation (“Old TOE”), as part of the transaction whereby newly created non-carrier subsidiaries of Tennessee Southern Railroad Company (“TSRR”) are acquiring the railroad assets of certain subsidiaries of the Weyerhaeuser NR Company.

In support of this Notice of Exemption, TOE submits the following information as required by 49 C.F.R. § 1150.33:

**a. Full name and address of applicant:**

Texas, Oklahoma & Eastern Railroad, LLC  
One Boca Place  
2255 Glades Road, Suite 342W  
Boca Raton, FL 33431  
(561) 443-5300

**b. Applicant's Representative:**

Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer LLC  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou\_Gitomer@verizon.net

**c. Patriot Rail LLC or its subsidiaries, assigns or affiliates, which includes TOE, (the "Buyers")**

entered an Asset Purchase Agreement dated as of July 21, 2010 (the "Agreement") with Weyerhaeuser NR Company ("Weyerhaeuser"), Columbia & Cowlitz Railway Company ("CLC"), DeQueen and Eastern Railroad Company ("DQE"), Golden Triangle Railroad Company ("GTRA"), Mississippi & Skuna Valley Railroad Company ("MSV"), and Texas, Oklahoma & Eastern Railroad Company ("Old TOE") (the "Sellers"). Under the Agreement, Buyers will acquire substantially all of the assets of CLC, DQE, GTRA, MSV, and Old TOE, and the railroad assets of the Weyerhaeuser Woods Railroad, a non-carrier operating division of Weyerhaeuser.

**d. The operator of the Line will be TOE.**

**e. Summary of proposed transaction:**

**1. The name and address of the party transferring the property is:**

Texas, Oklahoma & Eastern Railroad Company  
412 E. Lockesburg Ave.  
DeQueen, AR 71832

2. The proposed time schedule for the consummation of the transaction is on or after December 21, 2010.

3. The mileposts of the subject property, including any branch lines. Between the Oklahoma-Arkansas state border, milepost 40.0, and Valliant, OK, milepost 0.0, including auxiliary, storage, and spur tracks, all in McCurtain County, OK.

4. TOE will operate over 40 route miles as a common carrier railroad.

TOE intends to interchange traffic at the Arkansas-Oklahoma border with its affiliate the DeQueen and Eastern Railroad, LLC ("New DQE") and at Valliant with the BNSF Railway Company ("BNSF"), the Kiamichi Railroad Company ("KRR"), and the Union Pacific Railroad Company ("UP").

f. A color map of the Line is attached as Exhibit D.

g. A Certificate of Compliance with the provisions of 49 CFR § 1150.33(g) is attached as Exhibit A.

h. There are no interchange commitments or paper barriers in the agreement between Buyers and Sellers. Nor will there be any interchange commitments or paper barriers in the Interchange Agreements between BNSF, KRR, UP, and New DQE and TOE.

i. A caption summary, as required by 49 C.F.R. §1150.34, is attached as Exhibit B.

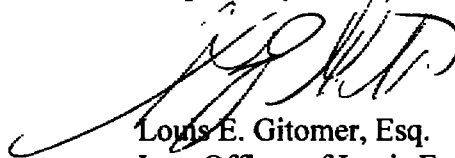
j. No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 CFR §1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. Hence, this Notice of Exemption does not require environmental documentation under 49 CFR §1105.6(b)(4) and (c)(2)(i).

k. An historic report is not required because TOE will own and operate the Line, will require further Board approval to abandon the Line or any portion of the Line, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. §1105.8(b)(1).

l. The Certification to the Board and the Notice posted and served on the national offices of all labor unions with employees on the affected line is attached as Exhibit C.

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,



Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer LLC  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou\_Gitomer@verizon.net

Attorney for TEXAS, OKLAHOMA &  
EASTERN RAILROAD, LLC

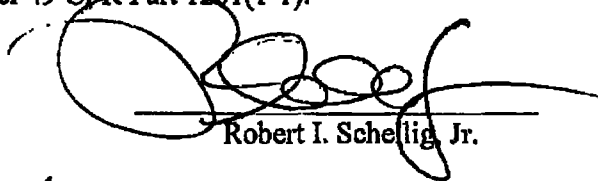
Dated: October 21, 2010

# EXHIBIT A

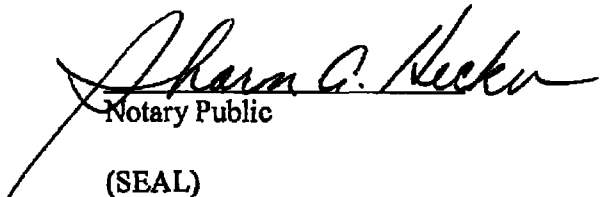
**CERTIFICATION**

State of Florida                     )  
  ) ss:  
County of Palm Beach            )

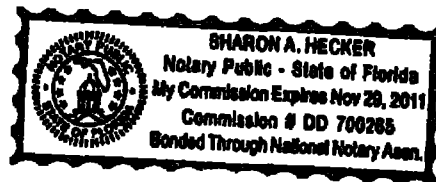
I, Robert I. Schellig, Jr., being duly sworn, deposes and says that I am Vice-President Law of the Texas, Oklahoma & Eastern Railroad, LLC, a Delaware limited liability company, and that the projected annual revenues from the rail operations would not exceed those that would make it a Class III carrier under 49 CFR Part 1201(1-1).

  
Robert I. Schellig, Jr.

Subscribed and sworn to before me this 20<sup>th</sup> day of October 2010.

  
Notary Public  
(SEAL)

My Commission Expires: Nov. 29 2011

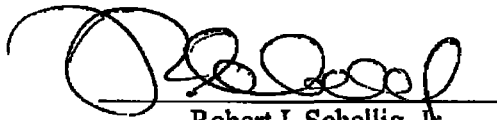




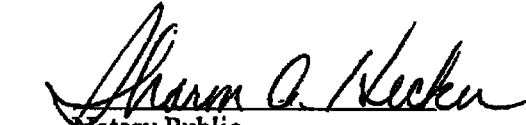
VERIFICATION

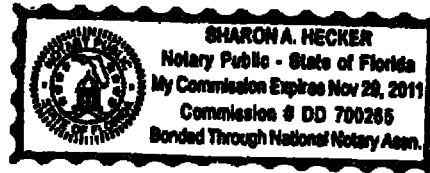
State of Florida                    )  
  ) ss  
County of Palm Beach            )

I, Robert I. Schellig, Jr., being duly sworn, deposes and says that I am Vice-President Law of the Texas, Oklahoma & Eastern Railroad, LLC, a Delaware limited liability company, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information and belief.

  
Robert I. Schellig, Jr.

Subscribed and sworn to before me this 20<sup>th</sup> day of October 2010.

  
Notary Public



# **EXHIBIT B – CAPTION SUMMARY**

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. 35430

TEXAS, OKLAHOMA & EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION  
EXEMPTION—TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY

Texas, Oklahoma & Eastern Railroad, LLC, a Delaware limited liability company (“TOE”) has filed a notice of exemption to acquire and operate over about 40 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0, and Valliant, OK, milepost 0.0, including auxiliary, temporary storage, and spur tracks, all in McCurtain County, OK (the “Line”) from the Texas, Oklahoma & Eastern Railroad Company, an Oklahoma corporation.

The transaction is scheduled to take place on or after December 21, 2010.

TOE certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier.

A notice of exemption for Patriot Rail, LLC, and its subsidiaries Patriot Rail Holdings LLC, Patriot Rail Corp., and Tennessee Southern Railroad Company, to continue in control of TOE, was concurrently filed in Finance Docket No. 35425, *Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Columbia & Cowlitz Railway, LLC, DeQueen and Eastern Railroad, LLC, Golden Triangle Railroad, LLC, Mississippi & Skuna Valley Railroad, LLC, Patriot Woods Railroad, LLC, and Texas, Oklahoma & Eastern Railroad, LLC.*

If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to reopen the proceeding to revoke the exemption under 49 U.S.C. 10502(d) may be

filed at any time. The filing of a petition to revoke will not automatically stay the transaction. Petitions to stay must be filed no later than \_\_\_\_\_, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35430, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer. Esq., Law Offices of Louis E. Gitomer LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (410) 296-2250, Lou\_Gitomer@verizon.net.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: \_\_\_\_\_, 2010.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

# **EXHIBIT C–LABOR CERTIFICATION AND NOTICE**

**LAW OFFICES OF  
LOUIS E. GITOMER**

LOUIS E. GITOMER  
LOU\_GITOMER@VERIZON.NET

October 20, 2010

THE ADAMS BUILDING, SUITE 301  
600 BALTIMORE AVENUE  
TOWSON, MARYLAND 21204-4022  
(202) 466-6532  
FAX (410) 332-0885

Ms. Cynthia T. Brown  
Chief of the Section of Administration, Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, DC 20423

RE: Finance Docket No. 35430. *Texas, Oklahoma & Eastern Railroad, LLC—  
Acquisition and Operation Exemption— Texas, Oklahoma & Eastern Railroad  
Company*

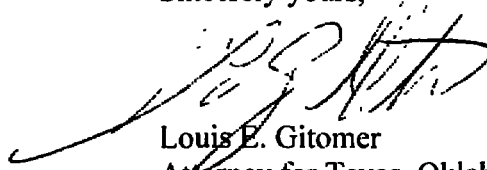
Dear Ms. Brown:

Texas, Oklahoma & Eastern Railroad, LLC ("TOE") has agreed to acquire from Texas, Oklahoma & Eastern Railroad Company the 40-mile rail line between the Oklahoma-Arkansas state border, milepost 40.0, and Valliant, OK, milepost 0.0, including auxiliary, storage, and spur tracks, all in McCurtain County, OK (the "Line").

On behalf of TOE, I hereby certify that (1) on October 20, 2010, the attached Notice was posted at the workplace of the employees on the Line; and (2) on October 20, 2010, TOE served the letter in Attachment 1 on the national offices of all labor unions with employees on the Line identified in Attachment 2.

TOE is e-filing this certification. Thank you for your assistance. If you have any questions, please call or email me.

Sincerely yours,



Louis E. Gitomer  
Attorney for Texas, Oklahoma & Eastern  
Railroad, LLC

Enclosures

## **ATTACHMENT 1 – NOTICE TO EMPLOYEES**

**October 20, 2010**

**TEXAS, OKLAHOMA & EASTERN RAILROAD, LLC  
and DEQUEEN AND EASTERN RAILROAD, LLC**

**NOTICE TO TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY AND  
DEQUEEN AND EASTERN RAILROAD COMPANY EMPLOYEES OF ACQUISITION**

The following "Notice to Employees" is required by the Surface Transportation Board.

Pursuant to Surface Transportation Board regulations at 49 C.F.R. §§ 1150.32(e), the Texas, Oklahoma & Eastern Railroad Company LLC ("TOE") and the DeQueen and Eastern Railroad, LLC ("DQE") hereby provide notice to the employees of the Texas, Oklahoma & Eastern Railroad Company ("TOEW") and the DeQueen and Eastern Railroad Company ("DQEW") that TOE intends to acquire and operate approximately about 40 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0, and Valliant, OK, milepost 0.0, including auxiliary, storage, and spur tracks, all in McCurtain County, OK, and DQE intends to acquire and operate approximately 47 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0, and Perkins, AR, milepost 87.0, including auxiliary, temporary storage, and spur tracks, all in Howard County, AR (the "Lines"), effective on or about December 21, 2010.

As a result of the acquisition, TOE and DQE expect to jointly hire approximately:

- 7 Management personnel
- 49 Clerks / Dispatchers / Machinists / Train & Engine personnel

TOE and DQE shall offer employment to substantially all of the employees listed above at salary or wage levels that are comparable to those paid by TOEW and DQEW. Employees will be provided benefits comparable to those at other Patriot Rail Corp. railroads. Employment will be available without regard to race, creed, color, religion, national origin, sex, age, marital status or disability. Employees may be required to pass a pre-employment drug and alcohol screen, background check and complete a medical questionnaire, and may be required to take a physical exam.

TOEW and DQEW employees interested in continued employment with TOE and DQE should contact J.D. Ventrcek at 501-276-8120.



## **ATTACHMENT 2 – LABOR UNIONS SERVED**

**United Transportation Union  
24950 Country Club Blvd., Ste. 340  
North Olmsted, OH 44070-5333**

**International Association of Machinists  
and Aerospace Workers  
9000 Machinists Place  
Upper Marlboro, MD 20772-2687**

**American Train Dispatchers Association  
4239 West 150th Street  
Cleveland, Ohio 44135**

# **EXHIBIT D—MAP**

